



# NEWS RELEASE

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## ***SBA AND FEDERAL EMPLOYEE UNION SIGN NEW AGREEMENT***

**WASHINGTON --** The U.S. Small Business Administration (SBA) and the American Federation of Government Employees (AFGE), which represents about 80 percent of the agency's 3,172 employees, today signed a new contract agreement, highlighting the joint commitment of the SBA and AFGE to the labor-management partnership process in contract negotiations.

"The agreement represents a major accomplishment in the SBA-AFGE relationship," said SBA Administrator Aída Alvarez. "This new contract marks the first time the SBA and the AFGE worked in joint labor-management teams to negotiate and execute an agreement, using an interest-based bargaining approach."

"I am particularly pleased that this agreement provides SBA employees with the family-friendly support in the workplace by allowing for more flexible work schedules," she continued.

"AFGE and the SBA established joint fact-finding teams to investigate problems, seek out solutions and report back to labor's and management's negotiating committees," AFGE National President Bobby L. Harnage pointed out. "This unique approach enabled the parties to reach consensus without third party intervention--a feat few can boast about."

"In addition to the unique way in which this agreement was negotiated, the contract contains new provisions that encourage the local parties to establish regional partnerships, develop additional alternative work schedules and create early intervention procedures to resolve perceived performance problems," Harnage added.

The new 1999 SBA-AFGE Master Agreement places emphasis on promoting a cooperative relationship between the parties and moving away from the adversarial negotiating relationship. Using new interest-based negotiations, labor and management worked together to find areas of mutual concern and interest before focusing on disagreements. This is a direct result of a 1993 Executive Order issued by President Clinton stating that "labor-management partnerships will champion change in federal agencies to transform them into organizations capable of delivering the highest quality services to the American people."

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The new agreement includes provisions for the availability of different family-friendly work schedules, reductions in minimum appraisal periods for bargaining-unit employees, and greater use of mediation in grievance procedures. It also encourages the formation of labor-management partnerships on the local and regional levels to facilitate communication, overcome obstacles and improve customer service.

The contract was signed by Administrator Alvarez, American Federation of Government Employees National President Bobby Harnage and members of the labor-management teams.

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*The U.S. Small Business Administration, established in 1953, provides financial, technical and management assistance to help Americans start, run, and grow their businesses. With a portfolio of business loans, loan guarantees and disaster loans worth more than \$45 billion, SBA is the nation's largest single financial backer of small businesses. Last year, SBA offered management and technical assistance to more than one million small business owners. SBA also plays a major role in the government's disaster relief efforts by making low-interest recovery loans to both homeowners and businesses.*

*America's 24 million small businesses employ more than 50 percent of the private workforce, generate more than half of the nation's gross domestic product, and are the principal source of new jobs in the U.S. economy.*

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